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CLERK U.S. DISTRICT COURT
SOUTHERN DISTRICT OF CALIFORNIA

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UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF CALIFORNIA

February 2012 Grand Jury

UNITED STATES OF AMERICA,

Case No.

13CR3789 JM

Plaintiff,

I N D I C T M E N T

v.

Defendant.

Title 18, U.S.C., Sec. 371 -
Conspiracy; Title 15, U.S.C.,
Sec. 78dd-1 - Foreign Corrupt
Practices Act Bribery; Title 15,
U.S.C., Secs. 78m(b)(2)(A),
78m(b)(5), and 78ff(a) -
Falsification of Books and Records;
Title 15, U.S.C., Secs. 78m(b)(2)(B),
78m(b)(5), and 78ff(a) -
Circumvention of Internal Accounting
Controls; Title 18, U.S.C., Sec. 2 -
Aiding and Abetting

The grand jury charges:

INTRODUCTORY ALLEGATIONS

At all times relevant to this Indictment, unless otherwise
specified:

1. Congress enacted the Foreign Corrupt Practices Act of 1977,
as amended, Title 15, United States Code, Section 78dd-1, et seq.
("FCPA"), for the purpose of, among other things, making it unlawful
for certain classes of persons and entities to act corruptly in
furtherance of an offer, promise, authorization, or payment of money
or anything of value to a foreign government official for the purpose

EB:RSK:nlv:San Diego
10/15/13

1 of obtaining or retaining business for, or directing business to, any
2 person.

3 2. In addition, the FCPA, Title 15, United States Code,
4 Section 78m(b)(2)(A), required every issuer of a security registered
5 with the SEC to make and keep books, records, and accounts that
6 accurately and fairly reflect transactions and the distribution of the
7 company's assets. Furthermore, the FCPA, Title 15, United States
8 Code, Section 78m(b)(5), makes it illegal to falsify, or cause to be
9 falsified, any book, record, or account required by
10 Section 78m(b)(2)(A).

11 3. The FCPA, Title 15, United States Code,
12 Section 78m(b)(2)(B), also required issuers to maintain a system of
13 internal accounting controls sufficient to provide reasonable
14 assurances that: (i) transactions were executed in accordance with
15 management's general or specific authorization; (ii) transactions were
16 recorded as necessary to (A) permit preparation of financial
17 statements in conformity with generally accepted accounting principles
18 or any other criteria applicable to such statements, and (B) maintain
19 accountability for assets; (iii) access to assets was permitted only
20 in accordance with management's general or specific authorization; and
21 (iv) the recorded accountability for assets was compared with the
22 existing assets at reasonable intervals, and appropriate action was
23 taken with respect to any differences. The FCPA, Title 15, United
24 States Code, Section 78m(b)(5), makes it illegal to circumvent the
25 system of internal accounting controls required by
26 Section 78m(b)(2)(B).

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RELEVANT ENTITIES AND INDIVIDUALS

~~CONFIDENTIAL~~

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2 4. Maxwell Technologies, Inc. ("Maxwell"), a manufacturer of
3 energy storage and power-delivery products, was incorporated in
4 Delaware, headquartered in San Diego, California, and had
5 manufacturing capabilities in the United States, Switzerland, and
6 China. Maxwell's shares (traded on the NASDAQ under the ticker symbol
7 "MXWL") were registered with the Securities and Exchange Commission
8 ("SEC") pursuant to Section 12(g) of the Securities Exchange Act of
9 1934, and the company was required to file periodic reports with the
10 SEC under Section 13 of the Securities Exchange Act. Accordingly,
11 Maxwell was an "issuer" within the meaning of the FCPA, Title 15,
12 United States Code, Section 78dd-1.

13 5. Maxwell Technologies S.A. ("Maxwell S.A."), previously known
14 as Montena Components Ltd., was a wholly owned subsidiary of Maxwell
15 that manufactured and sold high-voltage/high-tension ("HV/HT")
16 capacitors in several countries, including China. Maxwell S.A. was
17 incorporated and headquartered in Switzerland. Maxwell S.A.'s
18 financial results were consolidated with Maxwell's throughout the
19 relevant period. Maxwell S.A., although separately incorporated,
20 shared employees, officers, and personnel, and, where specified,
21 undertook the acts set forth herein with Maxwell's authorization and
22 knowledge and subject to Maxwell's control.

23 6. Defendant [REDACTED] a citizen of Switzerland, was Maxwell
24 S.A.'s Vice President and General Manager from in or around 2002
25 through in or around 2006. In or around May 2006, [REDACTED] was named a
26 Senior Vice President and officer of Maxwell, and was granted a
27 significant number of shares of Maxwell stock. From in or around May
28 2006 until his separation from the company in or around July 2009,

1 [REDACTED] continued as the General Manager of Maxwell S.A., exercised
2 supervisory authority at Maxwell and Maxwell S.A., owned a significant
3 number of Maxwell shares, and was evaluated and compensated, in part,
4 based on Maxwell S.A.'s HV/HT sales.

5 7. "Co-conspirator A," a citizen of the United States, was a
6 shareholder and senior officer of Maxwell in its San Diego office for
7 portions of the relevant period. After Co-conspirator A's
8 resignation, Co-conspirator A continued to be a Maxwell shareholder
9 and to work part-time for Maxwell for the remainder of the relevant
10 period pursuant to a consulting arrangement. During Co-conspirator
11 A's time as an officer of Maxwell, Co-conspirator A worked closely
12 with [REDACTED] on Maxwell S.A.'s operations.

13 8. "Co-conspirator B" was a manager in a business unit of
14 Montena Components Ltd., and later Maxwell S.A. In or around 2003,
15 Maxwell sold the division of Maxwell S.A. that employed Co-conspirator
16 B. Both before and after this sale, Co-conspirator B discussed with
17 [REDACTED] transactions between Maxwell S.A. and Chinese customers.

18 9. "Agent 1," a Chinese national, was Maxwell S.A.'s third-
19 party agent from at least in or around 2002 until in or around May
20 2009, and was responsible for the sale of Maxwell HV/HT capacitors to
21 customers in the People's Republic of China ("PRC" or "China").

22 10. Pinggao Group Co. Ltd. (formerly Pingdingshan High Voltage
23 Switchgear Works) ("Pinggao Group") was a state-owned and state-
24 controlled manufacturer of electric-utility infrastructure in Henan
25 Province, PRC.

26 11. Xi'an XD High Voltage Apparatus Co., Ltd. a/k/a Xi'an Shinky
27 High Voltage Electric Co., Ltd. ("Xi'an XD") was a state-owned and
28

1 state-controlled manufacturer of electric-utility infrastructure in
2 Shaanxi Province, PRC.

3 12. Pinggao Group and Xi-an XD were each an "agency" and
4 "instrumentality" of a foreign government, as those terms are used in
5 the FCPA, Title 15, United States Code, Section 78dd-1(f)(1).

6 13. New Northeast Electric Shenyang HV Switchgear Co., Ltd.
7 ("Shenyang HV") was a manufacturer of electric-utility infrastructure
8 in Liaoning Province, PRC, which at times was either state-owned or
9 substantially controlled by the Chinese government.

10 Count 1
11 (Conspiracy - 18 U.S.C. § 371)

12 THE CONSPIRACY

13 14. Paragraphs 1 through 13 of this Indictment are realleged and
14 incorporated by reference as though fully set forth herein.

15 15. Beginning no later than in or around October 2002, and
16 continuing through in or around May 2009, defendant [REDACTED] -
17 being an officer, employee, stockholder, and agent of Maxwell, which
18 was an issuer organized under the laws of the United States - and
19 Agent 1, Co-conspirator A, Co-conspirator B, Maxwell, Maxwell S.A.,
20 and others known and unknown to the grand jury, did knowingly and
21 willfully combine, conspire, and agree together and with each other to
22 commit offenses against the United States, to wit:

23 A. to willfully make use of the mails and the means and
24 instrumentalities of interstate commerce corruptly in furtherance of
25 an offer, payment, promise to pay, and authorization of the payment of
26 any money, offer, gift, promise to give, and authorization of the
27 giving of anything of value to, a foreign official, and to a person,
28 while knowing that all or a portion of such money and thing of value

1 would be and had been offered, given, and promised, directly or
2 indirectly, to a foreign official, for purposes of: (i) influencing
3 acts and decisions of such foreign official in his or her official
4 capacity; (ii) inducing such foreign official to do and omit to do
5 acts in violation of the lawful duties of such official; (iii)
6 securing an improper advantage; and (iv) inducing such foreign
7 official to use his or her influence with a foreign government and
8 instrumentalities thereof to affect and influence acts and decisions
9 of such government and agencies and instrumentalities thereof, in
10 order to assist [REDACTED] Maxwell, and others in obtaining and retaining
11 business for and with, and directing business to, Maxwell and others,
12 in violation of Title 15, United States Code, Section 78dd-1(a); and

13 B. to knowingly and willfully falsify and cause to be falsified
14 books, records, and accounts required to, in reasonable detail,
15 accurately and fairly reflect the transactions and dispositions of the
16 ~~assets~~ of Maxwell, an issuer organized under the laws of the United
17 States, and its assets, in violation of Title 15, United States Code,
18 Sections 78m(b)(2)(A), 78m(b)(5), and 78ff(a).

19 C. to knowingly and willfully circumvent and cause to be
20 circumvented internal accounting controls sufficient to provide
21 reasonable assurances that: (i) transactions were executed in
22 accordance with management's general or specific authorization; (ii)
23 transactions were recorded as necessary to (A) permit preparation of
24 financial statements in conformity with generally accepted accounting
25 principles or any other criteria applicable to such statements; and
26 (B) maintain accountability for assets; (iii) access to assets was
27 permitted only in accordance with management's general or specific
28 authorization; and (iv) the recorded accountability for assets was

1 compared with the existing assets at reasonable intervals, and
2 appropriate action was taken with respect to any differences, in
3 violation of Title 15, United States Code, Sections 78m(b)(2)(B),
4 78m(b)(5), and 78ff(a).

5 PURPOSE OF THE CONSPIRACY

6 16. The conspiracy's purpose was to make corrupt payments to
7 Chinese government officials, including officials at Pinggao Group,
8 Xi-an XD and Shenyang HV, and to others, and to falsely record such
9 payments on Maxwell's books, records and accounts, in order to obtain
10 and retain business, prestige and increased compensation for [REDACTED]
11 Maxwell, Maxwell S.A., and others. [REDACTED]

12 MANNER AND MEANS OF THE CONSPIRACY

13 17. The manner and means by which [REDACTED] and his co-conspirators
14 sought to accomplish the purpose of the conspiracy included, among
15 other things, the following:

16 A. [REDACTED] and Co-conspirator B would and did engage Agent 1 to
17 market and sell Maxwell's HV/HT capacitors to Chinese consumers,
18 including Pinggao Group, Xi-an XD, and Shenyang HV, and to other
19 consumers. [REDACTED]

20 B. [REDACTED] would and did discuss with Co-conspirators A and B, in
21 person, in telephone conversations, and by e-mail, that Agent 1 would
22 and did pay bribes to Chinese government officials, including
23 government officials at Pinggao Group and Xi-an XD, and to others, in
24 order to obtain HV/HT sales contracts.

25 C. Agent 1 would and did obtain quotes from Maxwell S.A. for
26 HV/HT sales to prospective Chinese customers, but [REDACTED] and did ensure
27 that the quotes contained a secret mark-up of approximately 20
28

1 percent, resulting in a higher total price to the Chinese customers
2 for Maxwell S.A.'s equipment.

3 D. Agent 1 would and did sell Maxwell S.A.'s products
4 to Chinese customers at the higher amount, and Maxwell S.A. would and
5 did invoice the Chinese customers at the higher-priced rate.

6 E. Agent 1 would and did separately invoice Maxwell S.A. for
7 the extra 20 percent added to the quoted prices, and would and did
8 characterize the mark-up as either an "extra amount," "special
9 arrangement," or "consulting" fee.

10 F. After the Chinese customers paid the inflated invoice price,
11 [REDACTED] would and did cause Maxwell S.A. to pay Agent 1's invoices by
12 transferring by wire the "extra amounts" to accounts controlled by
13 Agent 1 in China and Hong Kong.

14 G. Agent 1 would and did corruptly pay the "extra amounts" to
15 employees at Pinggao Group, Xi-an XD, and Shenyang HV.

16 H. [REDACTED] and Co-conspirator A would and did cause Maxwell
17 S.A.'s books and records to falsely record the "extra amount" bribe
18 payments as commissions, sales expenses, or consulting fees.

19 I. [REDACTED] would and did electronically transmit and cause to be
20 electronically transmitted from Switzerland to Maxwell's headquarters
21 in San Diego, California, Maxwell S.A.'s false books and records.

22 J. [REDACTED] and Co-conspirator A would and did cause the false
23 characterization of Maxwell S.A.'s "extra amounts" to be included in
24 Maxwell's books, records, and accounts, including Maxwell's publicly
25 filed financial statements and SEC filings.

26 K. [REDACTED] and Co-conspirator A would and did hamper efforts by
27 other Maxwell executives to learn the truth about operations and
28 finances at Maxwell S.A.'s operations in Switzerland.

1 L. After Maxwell terminated its sales-representative
2 arrangement with Agent 1, [REDACTED] would and did attempt to re-hire
3 Agent 1 as the company's sales agent in China under the name of
4 another company and against the instructions of Maxwell's CEO.

5 Overt Acts

6 18. In furtherance of the conspiracy and to effect and
7 accomplish the objects thereof, at least one of the co-conspirators
8 committed and caused to be committed the following overt acts, among
9 others, within the Southern District of California and elsewhere:

10 A. On or about October 16, 2002, Co-conspirator B sent to [REDACTED]
11 an email about the "China situation" and reminded [REDACTED] about their
12 discussions during a recent trip to China and the need to discuss the
13 extra-amount issue with Co-conspirator A.

14 B. On or about October 22, 2002, Co-conspirator B sent to [REDACTED]
15 an email about certain amounts due to Agent 1 and asked about the
16 billing and accounting for these kickbacks, now that Maxwell owned
17 Maxwell S.A. [REDACTED]

18 C. In or around October 2002, [REDACTED] met with Co-conspirators A
19 and B at Maxwell S.A.'s offices and discussed the continued payment
20 of "kickbacks" to Agent [REDACTED] in order to corruptly secure sales in
21 China.

22 D. On or about November 8, 2002, Agent 1 sent to a Maxwell S.A.
23 employee an email about Agent 1's need for extra-amount payments,
24 commenting that "we have to pay to customers the extra
25 amounts . . . they push us nearly every week"

26 E. On or about November 19, 2002, [REDACTED] directed Co-conspirator
27 B to pay Agent 1 the extra amounts as if they were commissions, and
28

1 then to have Agent 1 allocate the corrupt payments to the various
2 Chinese customers.

3 F. On or about November 20, 2002, in response to an email from
4 a Maxwell employee that said that an extra-amount payment appeared to
5 be "a kick-back, pay-off, bribe, whatever you want to call it, given
6 that we cannot obtain an invoice or other document that identifies
7 what the payment is for. This type of payment is in violation of US
8 trade laws," Co-conspirator A directed that no further emails were to
9 be written about the topic.

10 G. On or about October 9, 2003, Agent 1 emailed Co-conspirator
11 B about an extra-amount payment that had been inadvertently remitted
12 by Maxwell S.A. to a Chinese customer, instead of Agent 1's bank
13 account, saying "It is a big mistake, because it shouldn't be
14 regarded as money to be owned by [the customer] officially, but
15 privately and confidentially. It may cause [a] serious problem to
16 the current managers."

17 H. On or about February 7, 2005, [REDACTED] sent to Agent 1 an email
18 attempting to negotiate a smaller "extra amount" payment on a sale to
19 Shenyang HV.

20 I. In or around June 2005, [REDACTED] met with Agent 1 in China and
21 discussed how Maxwell S.A. would increase sales with Shenyang HV and
22 Pinggao Group if Maxwell S.A. agreed to continue making corrupt
23 payment of extra amounts.

24 J. On or about June 17, 2005, Agent 1 sent to [REDACTED] and others
25 at Maxwell S.A. an email explaining that, when Maxwell refused to pay
26 "extra amounts" to officials at a Chinese customer, Maxwell lost a
27 sale to a competitor, and noting that since Maxwell has again agreed
28

1 to pay "extra amounts" the Chinese customer has placed orders with
2 Maxwell.

3 K. On ~~about~~ August 16, 2006, ~~██████████~~ signed a "sub-
4 certification" as part of Maxwell's Sarbanes-Oxley process and
5 falsely certified that Maxwell's SEC Form 10-Q for the second quarter
6 of 2006 "did not contain an untrue statement of material fact or omit
7 to state a material fact necessary to make the statements therein, in
8 light of the ~~circumstances~~ under which they were made . . . not
9 misleading," even though ~~██████████~~ knew that the books and records
10 falsely recorded the extra-amount payments as commissions instead of
11 bribes or kickbacks ~~██████████~~

12 L. On or about August 17, 2006, ~~██████████~~ caused a Maxwell S.A.
13 employee to transmit ~~██████████~~'s false "sub-certification" from Maxwell
14 S.A. in Switzerland to Maxwell in San Diego, California.

15 M. On or ~~about~~ July 12, 2007, ~~██████████~~ caused a Maxwell S.A.
16 employee to send from Switzerland to San Diego, California, an email
17 containing Maxwell S.A. financial data that falsely characterized
18 corrupt payments made to Agent 1.

19 N. On or ~~about~~ October 8, 2007, ~~██████████~~ caused a Maxwell S.A.
20 employee to send from Switzerland to San Diego, California, an email
21 containing Maxwell S.A. financial data that falsely characterized
22 corrupt payments made to Agent 1. ~~██████████~~

23 O. On or about September 19, 2006, ~~██████████~~ sent an e-mail to
24 Maxwell's CFO falsely telling Maxwell's CFO that, when Agent 1 "does
25 a quotation to the [Chinese] customer and increases [Maxwell's] price
26 . . . the difference between our quotation and the final price
27 negotiated by [Agent 1] is for [Agent 1]" and asking the CFO to
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1 release the "payment for [Agent 1]," so as not to "disturb our
2 business in China . . ."

3 P. On or about September 26, 2008, [REDACTED] sent an e-mail to
4 Agent 1 with a document entitled "FCPA letter," asking Agent 1 to
5 sign and return the letter "in order to proceed to the payment of the
6 extra amount."

7 Q. On or about September 26, 2008, after receiving the signed
8 copy of the "FCPA letter" from Agent 1, [REDACTED] sent the document by
9 email to the CFO of Maxwell [REDACTED] San Diego, California, in order to
10 secure the payment of extra amounts to Agent 1.

11 R. On or about October 10, 2008, [REDACTED] caused a Maxwell S.A.
12 employee to send [REDACTED] Switzerland to San Diego, California, an email
13 containing Maxwell S.A. financial [REDACTED] data that falsely characterized
14 corrupt payments made to Agent 1.

15 S. On or about December 12, 2008, [REDACTED] caused a Maxwell S.A.
16 employee to send from Switzerland to San Diego, California, an email
17 containing Maxwell S.A. financial data that falsely characterized
18 corrupt payments made to Agent 1.

19 T. On or about February 3, 2009, [REDACTED] sent to a Maxwell
20 employee in San Diego, California, an e-mail attaching a completed
21 "Directors', Officers', and 5% Stockholders' Questionnaire" in which
22 [REDACTED] answered "no" to a series of questions relating to the FCPA,
23 including whether [REDACTED] had (1) "any knowledge or reason to believe
24 that [there]. . . have been or may have been. . . any bribes or
25 kickbacks to government officials or their relatives, or any other
26 payments to such persons, whether or not legal, to obtain or retain
27 business or to receive favorable treatment with regard to business"
28 and (2) "any knowledge or reason to believe that [there]. . . have

1 been or may have been. . . any bribes or kickbacks to persons other
2 than government officials, or to relatives of such persons, or any
3 other payments to such persons or their relatives, whether or not
4 legal, to obtain or retain business or to receive favorable treatment
5 with regard to business," when in fact [REDACTED] knew that Agent 1 was,
6 directly and indirectly, receiving extra-amount payments and passing
7 those payments along to the employees of Chinese state-owned entities
8 and other companies in order to obtain and retain business.

9 U. On or about March 31, 2009, [REDACTED] initialed invoice no.
10 20090331-2 authorizing the transfer by wire, from Maxwell S.A. in
11 Switzerland to Agent 1 in Hong Kong, CHF 200,000 as payment of a
12 purported "consulting fee" for a contract with Pingdingshan.

13 V. On or about April 15, 2009, [REDACTED] caused a Maxwell S.A.
14 employee to send from Switzerland to San Diego, California, an email
15 containing Maxwell S.A. financial data that falsely characterized
16 corrupt payments made to Agent 1.

17 All in violation of Title 18, United States Code, Section 371.

18 [REDACTED]

19 Counts 2-3

(Foreign Corrupt Practices Act - 15 U.S.C. § 78dd-1)

20 19. Paragraphs 1 through 13 of this Indictment are realleged and
21 incorporated by reference as though fully set forth herein.

22 20. From at least in or around October 2002 through in or around
23 May 2009, within the Southern District of California and elsewhere,
24 defendant [REDACTED] being an officer, employee, stockholder, and
25 agent of Maxwell, which was an issuer organized under the laws of the
26 United States, did willfully use and cause to be used the mails and
27 means and instrumentalities of interstate commerce corruptly in
28 furtherance of an offer, payment, promise to pay, and authorization of

1 the payment of money to a person, while knowing that all or a portion
2 of such money would be and had been offered, given, and promised,
3 directly and indirectly, to foreign officials, for purposes of: (i)
4 influencing acts and decisions of such foreign officials in their
5 official capacities; (ii) inducing such foreign officials to do and
6 omit to do acts in violation of the lawful duties of such officials;
7 (iii) securing an improper advantage; and (iv) inducing such foreign
8 officials to use their influence with a foreign government and
9 instrumentalities of to affect and influence acts and decisions
10 of such government or instrumentalities, in order to assist RIEDO,
11 Maxwell, and others in obtaining and retaining business for and with,
12 and directing business to, Maxwell and others, as follows:

Count	Date	Means and Instrumentalities of Interstate Commerce
2	09/19/08	E-mail sent by [REDACTED] from Switzerland to Maxwell's CFO in San Diego, California, asking Maxwell's CFO to release funds to Agent 1 to retain business in China.
3	09/26/08	E-mail sent by [REDACTED] from Switzerland to Maxwell's CFO in San Diego, California, attaching an "FCPA" certificate and asking him to "proceed" in approving payment of an "extra amount."

21 All in violation of Title 15, United States Code, Section 78dd-1, and
22 Title 18, United States Code, Section 2.

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Counts 4-8

(Falsification of Books and Records, Foreign Corrupt Practices Act -
15 U.S.C. §§ 78m(b)(2)(A), 78m(b)(5), 78ff(a))

21. Paragraphs 1 through 13 of this Indictment are realleged and
incorporated by reference as though fully set forth herein.

22. From at least in or around October 2002 through in or around
May 2009, within the Southern District of California and elsewhere,
defendant [REDACTED], being an officer, employee, stockholder, and
agent of Maxwell, which was an issuer organized under the laws of the
United States, knowingly and willfully, directly and indirectly,
falsified and caused to be falsified books, records, and accounts
required to, in reasonable detail, accurately and fairly reflect the
transactions and dispositions of the assets of Maxwell, an issuer of
securities registered pursuant to the Securities and Exchange Act of
1934; to wit, defendant [REDACTED] falsely characterized and caused to be
characterized as sales-related expenses over \$2 million in corrupt
"extra amount" and "special arrangement" bribes paid through Agent 1,
in particular Maxwell books, records, and accounts, including those
transmitted from Switzerland to California on or about the following
dates: [REDACTED]

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Count	Date	Falsified Record
4	07/12/07	Maxwell S.A. financial data that falsely characterized corrupt payments made to Agent 1
5	10/08/07	Maxwell S.A. financial data that falsely characterized corrupt payments made to Agent 1
6	10/10/08	Maxwell S.A. financial data that falsely characterized corrupt payments made to Agent 1
7	12/12/08	Maxwell S.A. financial data that falsely characterized corrupt payments made to Agent 1
8	04/15/09	Maxwell S.A. financial data that falsely characterized corrupt payments made to Agent 1

All in violation of Title 15, United States Code, Sections 78m(b) (2) (A), 78m(b) (5), and 78ff(a), and Title 18, United States Code, Section 2.

Count 9

(Circumvention of Required Internal Accounting Controls, Foreign Corrupt Practices Act - 15 U.S.C. §§ 78m(b) (2) (B), 78m(b) (5), 78ff(a))

23. Paragraphs 1 through 13 of this Indictment are realleged and incorporated by reference as though fully set forth herein.

24. From at least in or around October 2002 through in or around May 2009, within the Southern District of California and elsewhere, defendant [REDACTED] being an officer, employee, stockholder, and agent of Maxwell, which was an issuer organized under the laws of the United States, knowingly and willfully, directly and indirectly, circumvented and caused to be circumvented a system of internal accounting controls sufficient to provide reasonable assurances that (i) transactions are executed in accordance with management's general or specific authorization; (ii) transactions are recorded as necessary (I) to permit preparation of financial statements in conformity with generally accepted accounting principles or any other criteria applicable to such statements, and (II) to maintain accountability for

1 assets; (iii) access to assets is permitted only in accordance with
2 management's general or specific authorization; and (iv) the recorded
3 accountability for assets is compared with the existing assets at
4 reasonable intervals and appropriate action is taken with respect to
5 any differences.

6 All in violation of Title 15, United States Code,
7 Sections 78m(b)(2)(B), 78m(b)(5), and 78ff(a), and Title 18, United
8 States Code, Section 2.

9 Dated: October 15, 2013.

10 A TRUE BILL:

11 Kevin Rice
12 Foreperson

13 LAURA E. DUFFY
14 United States Attorney

JEFFREY H. KNOX
Chief
Criminal Division, Fraud Section
United States Department of Justice

15
16 By: Eric Beste

17 ERIC BESTE
18 Assistant U.S. Attorney

19 REBECCA S. KANTER
20 Assistant U.S. Attorney

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22 By: Stephen J. Siegelhalter

23 STEPHEN J. SIEGELHALTER
24 Trial Attorney, Fraud Section
25 Special Assistant U.S. Attorney
26
27
28

